

Confidence Across Borders: Wealth Management for a Mobile World



Confidence Across Borders: Wealth Management for a Mobile World



The most complex wealth management conversations rarely begin with a financial question. They begin with a life decision:

A family considering a return to the UK after twenty years in Asia, an entrepreneur weighing a move to Dubai before a business exit, a couple planning retirement in Portugal while their children build careers in London. In each case, the financial implications are significant and the window to address them is almost always shorter than people realise.

Acting early is not just good practice. In cross-border wealth management, it is often the difference between preserving wealth and watching it erode at the point of transition.

The Planning Window That Closes Faster Than Anyone Expects

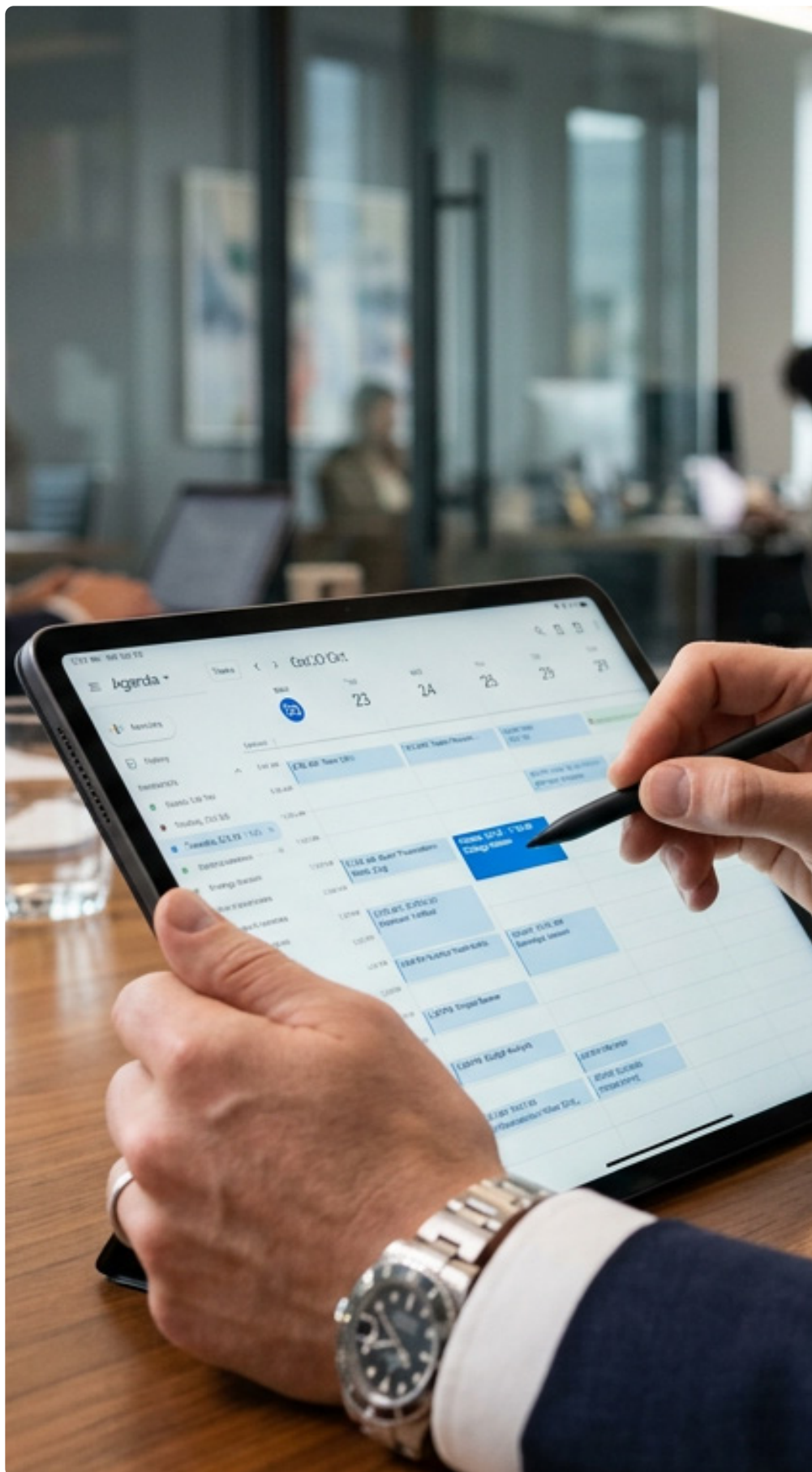
For internationally mobile families, the most consequential wealth planning rarely happens after a move. It happens in the 12 to 24 months before one.

When clients relocate to the UK from low or no-tax jurisdictions such as Dubai, Hong Kong or Singapore, assets that are perfectly structured for an international lifestyle can create significant tax liabilities the moment UK residence begins. Offshore investment portfolios, pension contributions, trust arrangements: all may need to be reviewed and potentially restructured before arrival. Once UK tax residence is established, the window for meaningful pre-arrival planning closes rapidly. A well-structured offshore investment portfolio, running tax-efficiently for years, can become drag-producing the moment UK residence resumes, generating an avoidable annual tax cost that compounds over decades. With 12 months' notice, restructuring is achievable and pre-arrival options remain open.

Departure planning carries equal weight and is consistently underestimated. Ceasing UK tax residence is governed by the Statutory Residence Test, which determines whether an individual has genuinely left the UK and whether split-year treatment applies. Someone can remain technically UK-resident for months after they believe they have departed. In the first years of non-residence, stricter day-count rules apply, and the disposal of assets, crystallisation of gains and restructuring of investment holdings may all need to occur in the year after departure to avoid unintended UK tax exposure.

Temporary non-residence rules add a further dimension. Individuals who leave the UK and return within a defined period may find that income and gains realised during their absence are brought back into the UK tax regime, with significant consequences for entrepreneurs considering business exits in the years following relocation.

Whether a family is arriving in or departing from the UK, the principle is consistent: begin international tax planning at least 12 to 18 months in advance. The most expensive mistakes in cross-border wealth management are almost always made just before a move.



Understanding the Full Picture Before Acting on Any of It



Before any conversation about investment strategy, succession planning or insurance, effective international wealth management requires a complete picture of the global position.

Where are the assets held? How are they structured? What is the tax treatment in each jurisdiction? What happens to existing arrangements if the family moves again? Are structures established years ago still fit for purpose under today's rules?

We call this "kicking the tyres". It is not where clients expect a wealth management conversation to begin, but it is where it must.

The landscape of international tax planning has changed significantly in recent years. Increased transparency requirements, automatic exchange of information between jurisdictions and evolving interpretations of tax residence have altered the environment in which cross-border structures operate. Trust arrangements, offshore bonds and company structures established under earlier rules and earlier assumptions about where a family would live require regular review. The structures may be sound; the world around them has moved.

Only once the full architecture is understood can meaningful conversations follow about investment strategy, succession and long-term wealth preservation.

The IHT Exposure That Follows You Across Borders

One of the most persistent misconceptions among internationally mobile families is that leaving the UK ends their UK inheritance tax exposure.

It does not, at least not immediately, and not in the way most people assume. Whilst UK situs assets are always within the IHT net, whether non-UK situs assets fall within IHT will depend on an individual's Long-Term Residence status.

Under the residence-based system that has replaced the old domicile rules, individuals who have been UK-resident for at least 10 of the previous 20 years are subject to UK IHT on their worldwide assets. This is where many families miscalculate: the rules do not simply switch off the moment you leave. If you have been UK-resident for 10 years, you are already within scope for the following year, regardless of where you are living. In other words, year 10 of UK residence pulls year 11 into the regime automatically, even if you spend that entire year outside the UK. The tail period following departure is the period during which deemed long-term resident status continues for IHT purposes. Its length depends on how many years of UK residence preceded the departure. The tail can be between 3-10 years long.

For families with significant assets, the practical implication is that the timing of departure relative to this 10-year threshold is a material financial decision. UK inheritance tax planning for internationally mobile families is a multi-year process, and the conversations that make the most difference are almost always the ones that happen earliest.

Structural planning around trusts and asset location takes time to implement and time to take effect. In the interim, life insurance written in trust provides an immediate and practical solution, ensuring that a known IHT liability is covered from the outset rather than left exposed while longer-term planning runs its course. For families already inside the regime, or approaching the point at which they will be, it is important to ensure that they are taking advice to ensure they can understand and plan for the change.



Investment & Asset Allocation Across Borders

Tax structuring forms the foundation of any cross-border financial plan, but international investment allocation is often equally consequential and considerably less discussed.

Internationally mobile families typically hold assets in multiple currencies, across different custodians and legal environments. The location of those assets, not just their composition, can materially affect financial outcomes when families relocate. A structure that operates efficiently for a Dubai-resident family may become less optimal once UK tax residence is established. Currency exposure, reporting obligations and the tax treatment of specific asset classes can all shift depending on where the client lives and where the assets are domiciled.

For mobile families, portfolios should not be optimised purely for the present situation. They should be designed with sufficient flexibility to remain robust through the next relocation. Too many portfolios are built for where a client is today, with no consideration of where they might be in five years.

Cash flow planning across jurisdictions deserves the same forward-looking attention. Major life transitions, including children in education abroad, relocation costs, changes in healthcare arrangements and gifts to the next generation, place significant demands on liquidity at precisely the moments when families are least positioned to manage unexpected financial pressure. Modelling these scenarios early, before the constraints of an impending move, is the difference between retaining options and losing them.



Life Decisions That Happen to Have Financial Consequences

The distinction that shapes everything we do in this work is straightforward: these are life decisions that happen to have financial consequences, not financial decisions that happen to affect people's lives.

When a family is choosing where their children should go to university, they are thinking about educational quality, family connections and their children's futures. When clients are deciding where to retire, they are weighing quality of life, proximity to family, healthcare and cultural fit. Our role is to illuminate the financial and tax implications of each path clearly enough that those implications do not become unexpected obstacles, and then to step back and let the family make the right decision for them.

This requires patience and genuine curiosity about what each family is actually trying to achieve. Some prioritise keeping everyone together across borders. Others are focused on intergenerational wealth transfer and succession planning that reflects their values. Many are working to ensure that children already living across multiple jurisdictions are financially prepared for their own obligations ahead. For families thinking seriously about what they leave behind, life insurance forms an important part of that conversation, providing certainty around the transfer of wealth to the next generation in a way that no other planning tool can fully replicate.

Understanding these priorities shapes every recommendation we make.

International mobility is also rarely a straight line. Families move between jurisdictions over decades as education, business and personal circumstances evolve. Cross-border financial planning must accommodate that uncertainty rather than assume permanence. The most useful question is rarely "where will you live?" It is almost always "where might you live next, and are we already prepared for it?"



The Coordination Requirement in International Wealth Management

A single internationally mobile family may require input from UK solicitors, overseas accountants, international investment managers, foreign tax advisers and specialist life insurance providers, all working toward a coherent strategy across multiple time zones and regulatory regimes.

Without clear coordination across these specialists, gaps emerge. Not through negligence, but because each professional naturally focuses on their own discipline without full visibility of the others. Families can arrive at pivotal moments, a business exit, a relocation, a bereavement, holding a set of well-intentioned but mutually inconsistent plans.

Knowing which specialists need to be involved, asking the questions that cut across professional disciplines, and ensuring nothing is missed is frequently the most valuable function a lead adviser provides. Regulatory boundaries add further complexity: financial advice, investment distribution and custody arrangements are governed differently across jurisdictions, and solutions available in one country are often not directly portable to another. Designing international wealth structures that remain robust as clients cross these borders is a discipline in itself.



What Confidence Across Borders Actually Means

Internationally mobile families are not looking for complexity management. They are looking for an adviser they trust to ensure the complexity never becomes their problem.

The structures, strategies and solutions put in place are tools. What they exist to produce is something more fundamental: the ability to make decisions about where to live, how to provide for the next generation, and how to build lasting wealth, with the confidence that the financial architecture supporting those decisions has been properly planned, properly stress-tested, and will not fail at the moment it matters most.

Related pieces on relocation timing, tax architecture, investment allocation, IHT exposure and adviser coordination are linked below:

- **The Relocation Timing Trap:** Why International Families Must Plan Ahead
- **Building Strong Cross-Border Tax Architecture:** The Foundation of Global Wealth
- **Investment Allocation Across Borders:** Designing Portfolios for a Mobile Life
- **The Residence Dilemma:** Why UK Inheritance Tax Follows You Abroad
- **The Human Side of Cross-Border Wealth:** Life Decisions, Adviser Coordination and the Long View

Disclaimer

Bentley Reid & Co (UK) Limited is authorised and regulated by the Financial Conduct Authority in the United Kingdom

Bentley Reid & Co Limited is licensed by the Securities and Futures Commission in Hong Kong

Bentley Capital Limited is licensed by the Securities and Futures Commission in Hong Kong

Bentley Reid (DIFC) Limited is regulated by the Dubai Financial Services Authority in the Dubai International Finance Centre (DIFC)

This communication is provided for information purposes only. Bentley Reid believes that, at the time of publication, the views expressed herein represent fair opinion; however, no assurance can be given that any illustrated or referenced performance will be achieved or repeated. All data and graphical information are believed to be accurate at the time of capture but may be subject to change and may not reflect current conditions. Fluctuations in exchange rates may cause the value of investments to rise or fall.

References to tax is only intended to cover UK taxation. The information contained herein is of a general nature and not intended to address circumstances of any particular individual or entity.

Recipients considering any action based on the content of this communication should seek independent advice from a professional adviser appropriate to their individual financial circumstances. Capital is at risk, and investors may receive back less than the amount originally invested. Neither the publisher nor any of its subsidiaries or connected parties accepts any liability for direct or indirect loss arising from reliance on, or use of, the information contained in this communication.